

REMARKS

Please note the fact that February 18, 2006, fell on a Saturday and Monday, February 20, 2006, was a Federal Holiday, ensures that this paper is timely filed as of today, Tuesday, February 21, 2006 (the next succeeding business day).

In the Office Action dated August 18, 2005, pending Claims 1-17 were rejected and the rejection made final. Claim 1 is an independent claim; the other claims are dependent claims. In response Applicants have filed herewith a Request for Continued Examination and have amended dependent Claim 17. Applicants intend no change in the scope of the claims by the changes made by this amendment. It should be noted these amendments are not in acquiescence of the Office's position on allowability of the claims, but merely to expedite prosecution.

Applicant's counsel briefly spoke with the Examiner on October 4, 2005 with an issue concerning the Final Rejection received on August 18. The Office mailed two identical Final Rejections, both dated August 18, 2005. Both of these rejections appeared in Public/Private Pair. As per the Examiner's suggestion, it is duly noted that only one response (herein) is being sent to the Office with regards to both Final Rejections mailed. It is respectfully submitted that since both Rejections were identical, only one response is required. If there is any indication to the contrary, further clarification is respectfully requested.

The present invention broadly contemplates automatically generating marketing promotions for Internet websites based on real-time data obtained through controlled

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short-term experiments that determine market sensitivity. (Page 1, paragraph 3) The method and system of the present invention preferably allow merchants to modify the nature of the experiment and the propagation of optimal values. (Page 6, paragraph 20) The optimal promotion determined by the system is intended to optimize an economic value such as profit. The economic variable to be optimized may be financial, such as profit or revenue. Alternatively, the economic variable may be another quantity of interest, such as market share, customer satisfaction, customer retention at the website, or utilizing of manufacturing or shipping resources, for example. (Pages 15-16, paragraph 76) Indeed, in the example given on Page 22 of the application, incremental profit is being maximized, and the promotion which maximizes same is not the promotion that was accepted the most frequently.

Claims 1-17 stand rejected under 35 USC § 103(a) as being unpatentable over U.S. Patent No. 5,918,014 to Robinson in view of U.S. Patent No. 6,567,786 to Bibelnieks et al. The Office asserts that "[a]n ordinary skilled artisan would have been motivated at the time of the invention to incorporate the teachings of Bibelnieks into the Robinson's system so as to select an optimal advertisement or optimal promotion from a plurality of advertisements or promotions to be presented to a user or subject or customer not only based on the user's or subject's community reaction to the display of the one or more advertisements or promotions from the plurality of advertisements or promotions, but also based upon the maximum return on investment or ROI (economic value) associated with the selected advertisement or promotion and the user's ROI value for the selected promotion (or promotional plan or campaign) or the expected revenue for the

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selected promotion with respect to the user, thereby enabling a merchant or advertiser to control or minimize his liability/risk related to running a promotional plan or promotional campaign comprising a plurality of promotions or a plurality of advertisements by sending to a user or customer an optimal promotion or advertisement, selected from the plurality of promotions or advertisements, that appeals to the user's interest or that is more likely to trigger a purchase, from the user or customer, of an item or service featured in the selected or sent promotion and wherein the customer's purchase will eventually contribute or increase the merchant's bottom line." Reconsideration and withdrawal of the present rejections are hereby respectfully requested.

As best understood, Robinson appears to be directed to displaying advertising to users of the World Wide Web based upon what "community" they are in. See Col. 2, lines 23-26 ("If the members of a particular consumer's community tend to click on a particular Web ad, then there is a certain likelihood that the subject consumer will also tend to click on that ad.") As such, the concept underlying Robinson appears to be to select an advertisement for display based solely upon the likelihood the advertisement will have the maximum possible click through rate. Further, although Robinson randomly displays advertisements to certain groups of visitors, there is no mention or suggestion of randomly sampling the visitors to the web site. Additionally, as asserted in the Office Action, Robinson does not teach or suggest determining an optimal promotion that optimizes at least one economic variable or value.

Bibelnieks does not overcome the deficiencies of Robinson set forth above. As best understood, Bibelnieks optimizes marketing plans to customers over an extended

period of time. Instead of "focusing on an individual promotion event and determining which customers, based on historical data, meet a certain ROD criteria..., the present invention focuses on a particular customer or customer group (called a class), and their ROI value with respect to an entire set of promotion events proposed to be implemented over a period of time." (Column 2, lines 60-68) Additionally, there is no mention in Bibelnicks of randomly sampling visitors to the website. Further, there is no mention or teaching of optimizing promotions for a website. Rather, the promotional plans produced by Bibelnicks includes all types of advertising, including online advertising, direct marketing, telephone marketing, and so on.

A 35 USC 103(a) rejection requires that the combined cited references provide both the motivation to combine the references and an expectation of success. The expectation of success necessitates that the two invention are combinable both in practice and in theory. Not only is there no motivation to combine the references, no expectation of success, but actually combining the references would not produce the claimed invention. Thus, the claimed invention is patentable over the combined references and the state of the art.

The combination of Bibelnicks and Robinson is improper. As stated above, Bibelnicks focuses on long-term promotional campaigns rather than specific promotional events. Robinson does not deal in long-term promotional strategy. Rather, as asserted above, and in the outstanding Office Action, Robinson tests advertisements on groups of members, and then presents tested advertisements to a user belonging to that group. There is no mention or suggestion in Robinson of creating long-term marketing

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campaigns or long-term promotional strategies. Thus, Robinson and Bibelnicks are in direct contrast with each other in terms of analyzing and creating advertising plans. The combination of Robinson and Bibelnicks is invalid because the techniques used in Bibelnicks to determine long-term promotional campaigns that utilize direct, online, and telephone marketing (instead of determining specific promotional events) could not technically or practically be used in Robinson to produce the determination of a specific advertisement to use for a website. At the very least, the statistical methods used to determine a year-long marketing campaign via different mediums are substantially different from those used to dynamically determine which advertisement to display to a user on a website.

Independent Claim 1 recites (a) receiving configuration data from the Internet merchant; (b) **randomly sampling visitors to the Internet website** according to the configuration data; (c) **determining a promotion using the data acquired in step (b), wherein the determined promotion optimizes at least one economic variable selected from a group of economic variables; and (d) displaying the optimal promotion to the Internet merchant.** (emphasis added) At a minimum, both Robinson and Bibelnicks lack these features, specifically lacking the ability to randomly sample visitors to the web site. Further, not only is the combination of Robinson and Bibelnicks invalid, but the proposed combination would not produce the invention as claimed.

In view of the foregoing, it is respectfully submitted that Claim 1 fully distinguishes over the applied art and is thus in condition for allowance. By virtue of

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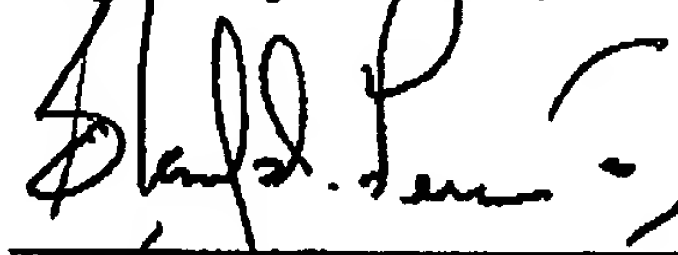
dependence from what are believed to be allowable independent Claim 1, it is respectfully submitted that Claims 2-17 are also presently allowable.

The "prior art made of record" has been review. Applicants acknowledge that such prior art was not deemed by the Office to be sufficiently relevant as to have applied against the claims of the instant application. To the extent that the Office may apply such art against the claims in the future, Applicants will be fully prepared to respond thereto.

In summary, it is respectfully submitted that the instant application, including Claims 1-17, are presently in condition for allowance. Notice to the effect is hereby earnestly solicited.

Applicants' undersigned attorney would welcomes further discussion with the Office in the event there are any further issues in this application.

Respectfully submitted,



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